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OBSERVATIONS

ON THE
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Mr. J. A. W. in France

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Observations on the SCHEME of Mr. LAW,
in *France*, and of Sir HUMPHRY MACKWORTH,
in *Great-Britain*, &c.

SIR Humphry Mackworth hearing what Mr. Law had done towards the discharge of the Publick Debts in *France*, and reflecting what the fatal Consequences thereof might be, one time or other, to his Native Country, in case so great and powerful a Nation should happen to Quarrel with their Neighbours, whilst their *Exchequer* is full, and ours empty, when the Debt of *France* is discharg'd, and the Debt of *Great Britain* remains; (a Debt so very great and heavy, that the People are forc'd to pay Taxes on Land and Malt, to subsist in Time of Peace, and must therefore be ruin'd in case of another War) was induc'd; (tho' otherwise a very unfit Person both in respect of Capacity and Health; to intermeddle in any publick Affair) to apply his Thoughts towards the discovery of a Method, to do that Honestly in *Great Britain*, which he soon perceiv'd was not so done in *France*, and to enable the King, notwithstanding the Charges of so long and expensive a War, to hold still the Ballance of Power in *Europe*, and the People to recover their Losses, by the Profits of Trade and Commerce.

THIS prevail'd upon him to offer a Proposal to the Publick, without the least Expectation of any Manner of Advantage by it, otherwise than as he is a well Wisher to his Country, and would be proud to leave behind him a Legacy that may be remembred by his Posterity, as worthy of their Acceptance; but to his great Wonder and Surprize, he finds that his Proposal is still apprehended by some Persons, to be of the same Nature with that of Mr. Law in *France*. And the two great Objections against it are, that it tends to establish Paper-Money, and force Credit; the ill Consequences whereof have been so lately experienced in that Kingdom; in Answer to which I will begin with a short State of Sir Humphry Mackworth's Proposal, viz.

Sir Humphry Mackworth considering the Nature and Excellency of the Constitution of the Government of Great Britain, and that the Commons are an essential Part thereof, and have the Priviledge of raising Money to sup-
port

part any Species establish'd by their Concurrence; proposes to pay off the *Publick Debts* by degrees, with a new Parliamentary temporary Species of Money, of a real Value and Security (in Nature of a Mortgage) to be made Current in all Payments for a certain Time, until it shall be sunk, redeemed, or discharged by the publick Revenue, appropriated for that purpose; as for instance, in order to pay off eight Millions, he proposes to appropriate an Annual Sum of 400,000*l. per Annum* (that now pays only the Interest thereof) to pay or sink every Year for the future, 400,000*l.* of the Principal, subsisting in the said new Species, by which Means the eight Millions will be sunk and paid off in 20 Years, without any more Taxes, and as the Principal sinks, the Security will be so much greater, and the said Annual Discharge of 400,000*l.* in the said Species, is to be made every Year in the presence of Committees of both Houses of Parliament, and of the Lords Commissioners of the Treasury, for the Time being; and to make it more Valuable, One *per Cent.* is to be allow'd to be taken on the Loan of this New Species, more than on the Loan of Silver and Gold; and there is also a surplus of 860,775*l.* every Year reserv'd in the Exchequer, to support (*inter alia*) the said Species, on any extraordinary Occasion; and also the Exchequer is to take the New Species and the People the Silver and Gold; by which means this New Species will be made of equal Value, Use and Conveniency with Silver and Gold, and will be as well Secured by the Constitution, as our Liberties and Properties.

BUT what did Mr. Law propose? Did he make use of any Species of Money of a real Value or Security? Wherein did it consist? Was there any secure Fund establish'd for the discharge of any Part every Year? What was that Fund? And if there had been any, yet who was there to take care of the Application? Were there any Lords and Commons in Parliament there, to see the said Species sunk every Year? Were the Commons of France an essential Part of the Constitution of the Government? Have they the Privilege of raising Money in France for the Publick Good, or of the Supporting any such Species? Was the Exchequer to take the Paper, and the People the Money? No, the direct Contrary was propos'd and practis'd there in every particular; and for that Reason Sir Humphrey Mackworth hath frequently foretold the Fall of that Scheme long before it happen'd.

THE Bills in France were no other than Bank-Bills, meer Bills of Credit, without any sinking Fund, and therefore of no real Value or Security, but made Current-Money by an Arbitrary Authority, during Will and Pleasure, and the same were forc'd on the People, and their ready Money taken from them. And is there no difference between these two Cases?

Have

Have we been cheated of our Understanding, as well as of our Money? Because *France* did a foolish and an unjust Thing, must not *Great Britain* do that which is *Wise* and *Honest*; because *France* took the Money, and gave the People nothing but *Paper*, may not *Great Britain* give the Money to carry on Trade, and let the *Exchequer* pay their Debts with good Mortgages? Because *France* failed for want of a good Constitution of Government, shall we fail to make use of a good Constitution when we have it? Because *France* could not with safety trust to a mortal Prince, or a changeable Ministry; cannot the *Commons of Britain* safely trust themselves, or their own Representatives? Because it might become the Interest or Pleasure of an *Arbitrary Prince*, to destroy their *Paper Credit in France*; does it therefore follow, that the *Commons of Britain* will destroy their own Properties, or be wanting on any Occasion to support that Species in which their Properties shall in great Measure Consist?

BUT in the next Place let it be considered, in what Manner this Proposal tends to Establish Paper Money, or force Credit.

AND first the Question may be ask'd, whether *Paper Money* is not already Establish'd, and Credit forc'd? For are not Navy-Bills, Victualling Bills, Tickets for Seamen, &c. Paper-Money? and are not these Bills and Tickets forc'd on the Creditors and Seamen? And what more is propos'd by *Sir Humphrey Mackworth* than that, as these Bills are forc'd upon the Creditors of the Government, that they may also have Authority to pay the said Bills at the same Value to their Creditors? And so to be Current in all Payments, 'till paid off at last by the sinking Fund? All which would tend very much to support the publick Credit; for those Bills being paid to Persons frequently in Debt, or in low Circumstances, they are obliged to dispose of them at what Rate they can get to supply their Occasions, which brings a great Discount and Discredit on Government Securities; whereas if they had Power to pay them away at the Value receiv'd, it would prevent that Discount and Discredit, and also a Damage and Loss, both to the Creditors and the Publick.

It is not material by what Name this is call'd, whether it be by a New Species or Government Securities, or Exchequer Bills made Current, but what Effect it will have on the Publick Credit, and what Prejudice can possibly arise by the putting it in practice.

THE Advantages are very obvious both to the Subject and to the Government; to the Subject, because not only the Creditors of the Government may pass it away without Loss, but the Subjects in General, will thereby have the Advantage of an Addition to the Current Money; and

to the Government, because by this Means the Nation will not only save the Interest, but also make use of the same Fund to pay the Principal.

THESE Bills are now a Debt, and a Demand upon Money, but if made Current, will be Money itself, and it is as necessary to make these Current, as it was at first to make Silver and Gold so; for if the Government should pay their Creditors with Ingots of Silver or Gold without fixing their Value, the Creditors that are Necessitous must be forc'd to part with them at such Price as they could get, and only the Usurers and Extortioners would be Gainers, as they are now upon the Discount of Government Securities.

AND therefore is it not more for the Publick Credit, and more agreeable to Justice, and much more Advantagious for the Subject, to have these Ingots made into Current Money, then left at a precarious and uncertain Value? and if so, why shall not these Securities that are issued out by the Government, be also made Current at a certain Value? especially when there is a substantial sinking Fund, appropriated by the Parliament, for the discharge thereof in a reasonable Time? and no Damage can possibly happen thereby to any Person whatsoever.

AND these Bills being made by the Parliament as valuable as any other Money, and their Value ascertained and declared; no Person hath any more reason to complain of Force in the Currency thereof, then they have in the Currency of Silver and Gold.

AND thus it may appear that Paper Money is already Establish'd, and Credit actually forced, but since it is now done in a very imperfect and unequal Manner, injurious to the Creditor, and prejudicial to National Credit; and since the Method now used is advantagious to none but Usurers and Extortioners, who are the ruin of Trade, and a Nuisance to the Publick. It is humbly hoped that a Proposal for making those Bills more Useful and Current, and thereby restoring National Credit, and fixing it upon a lasting Foundation, cannot meet with any other than a favourable Reception in a *British* Parliament.

F I N I S.

